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DRAFT: [REDACTED] cw
17 July 1957

MEMORANDUM FOR: Special Assistant to the Director
for Planning and Coordination

SUBJECT: Program Analysis

1. The attached may not refer to your favorite subject, but then, it isn't mine either. If we were to wait until October of this year, the preparation of this study would then have embraced two full years from the date of its assignment by General Cabell.
2. The initiative for this study formally came from an IG report, whose office prepared the draft of General Cabell's memorandum at Tab A. The real stimulus, however, came from the Comptroller's Office during an IG survey which ended with General Cabell's instruction. I mention this in order to leave in sharp outline the fact that on 26 April 1956 I sent to the Comptroller's Office, who provided representation on my group for the DD/S, a final draft paper lacking only a tab, which is now sent forth at E, and the final views of the DD/S' office. For the record, I should state that at irregular intervals since 26 April 1956 I have called the Comptroller's Office asking when we might expect their contribution. I received it on the morning of 15 July 1957.

3. I have attached the Comptroller's memorandum immediately underlying this note. I have attached at Tab E his explanation of Program Analysis as conducted to date in the DD/S area.

4. The Comptroller's comment, immediately underlying, is presumably in part a last will and testament looking for a theoretical Program Analysis which they would like to see but really don't believe is feasible today. In paragraph 5, he appears to be about to go along with the conclusions and recommendations and finally does so in paragraph 7.

5. In my view, his paper need go no further than yourself.

6. Let me now say that if one has strong conviction that the Deputy Director's request for an investigation of Program Analysis must end in a positive recommendation that something new be added, then the attached paper is the best that I can come up with and with which the interested parties will agree. However, neither Wally nor I have our hearts in this proposal and, accordingly, do not recommend that you sign and forward the paper. Our concerns may be expressed as follows:

a. The effect of the proposed arrangement for staff attached to you to conduct the analysis indicated, and which would be thereupon available to the PRC, would tend to have

the affect of buttressing an Agency mechanism that is the PRC, the necessity for and the validity of which you, he and I all doubt, to put it mildly.

b. Such minimum staff as proposed I doubt would be capable of really performing an analysis of the operating budgets of DD/S and DD/I though it is entirely possible, if your assistants were sharp, that they could make useful evaluations for you in regard to specific projects coming from DD/P to the PRC. By and large, they would have to depend upon the DD/P for their source of information, the amount of which would be expanded by virtue of the revised regulation set forth at Tab F, and no doubt, they would have the right to ask further questions and seek additional information from DD/P. It should be noted that the bulk of such labors would have to be concentrated in the spring of each year, which is the principal time for project submissions, and would not result in the kind of "continuing Program Analysis" at the level of the Director's office, which the Comptroller refers to in his memorandum attached. Here, I believe, we need to weigh whether this additional investigation to that already conducted by the Inspector General is required, and what, if any, are the differences. The differences which I suspect are that

the Inspector General cannot cover each division's activities more than once every two or three years, but his job could be expected to be a lot more thorough. Furthermore, so far we haven't taken cognizance of the Inspection and Review Staff in DD/P, which is a built in mechanism for exercising "Program Analysis", or if not, could be. We have not made any inspection of the functions of that office in this study.

7. Accordingly, it is our recommendation that you sign the paper attached marked "alternative" to the DDCI.

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Office of the Director
Planning and Coordination Staff

Attachments